

MOODY AIR FORCE BASE INDUSTRY FORUM & RFP

The Moody Air Force Base Pre-proposal conference for its Family Housings Privatization Project was held May 29-30 at the Valdosta-Lowndes County Conference Center and followed-up by a mini-Industry Forum in January 2003. The forums were facilitated by Basile Baumann Prost and Associates of Annapolis, MD. The Moody RFP was released on January 23, 2003. Please check www.bbpa.com for additional information on the privatization project.

GOAL

To provide military families access to safe, quality, affordable housing in a community where they will choose to live.

VISION

End state is 606 privatized housing units.

PROJECT OVERVIEW

The project involves a real estate transaction to privatize all of the military family housing for Moody AFB. The Government will lease land and convey 300 existing housing units and other improvements by fee ownership to the Successful Offeror. The Successful Offeror will:

- Accept conveyance of 206 existing units with only minor area and utility modifications required.
- Construct 400 additional units within 72 months of award.
 - Demolish and replace 94 units in the Quiet Pines Housing Area.
 - Construct 10 SOQ and 1 GOQ units in the Quiet Pines Housing Area.
 - Construct 295 units on a site to be provided by the Successful Offeror within a 30 minute commute from the main gate of the installation.
- Accept conveyance of 1 SOQ unit (Quarters #251) located on MAFB and demolish it immediately after replacement unit is ready to be occupied (no more than 72 months after closing).
- Maintain/repair the remaining GOQ unit (Quarters #252) and Senior Enlisted Advisor Unit (Quarters #253) until those occupant's new privatized units are ready to be occupied (no more than 72 months after closing), at which time the Successful Offerors responsibility ceases for those two units and MAFB takes over maintenance and repair. Direction on the maintenance of these units can be found in Appendix AD.

The Successful Offeror will finance, plan, design and construct improvements, as well as own and operate the rental housing development for military families for 50 years. The Government is willing to provide financing assistance in the form of a Direct Government Loan and/or Government Limited Loan Guarantee of a permanent loan from an approved commercial lender.

MARKET OVERVIEW

Moody AFB is located in Lowndes County in south central Georgia, nine miles from the city of Valdosta. Moody is assigned

to Air Combat Command and is operated by the 347th Wing. The base currently has an identified total housing requirement of 606 housing units.

The current military family housing demand at Moody is 2,753 units, of which 1,128 is satisfied by owned units, leaving a rental demand of 1,625 units. Almost 70 percent of Moody's 4,156 assigned personnel are accompanied. Currently enlisted personnel comprise 89 percent of the base's total authorized strength and officers 11 percent. Approximately 11 percent of military families live in Government-owned housing on the base; the remaining 89 percent live in the surrounding community.



THE DEAL

The success of this project is based on the long-term commitment between the Government and the Successful Offeror.

Moody AFB brings:

- Authority to provide a Direct Government Loan and/or Government Limited Loan guarantee of a permanent loan.
- 300 revenue-producing housing units and associated improvements.
- Land for development of 11 officer units.
- Access to base water supply and waste water treatment facilities for the 295 new Offeror-provided housing units at developer cost.

The Successful Offeror brings:

- Land suitable for development of 295 new units (within 30 minutes commute of the base gate).
- A complete and feasible business/financing package.
- Well-developed community plans and quality designs.
- Demolition and replacement of 94 units in the Quiet Pines housing area and construction of 11 Officer units also in Quiet Pines.
- Quality property management for 50 years.

REAL ESTATE TRANSACTIONS

Real estate transactions for government-owned land, facilities, and improvements include a 50-year ground lease and a deeded conveyance of existing housing units/infrastructure. In addition, a Use Agreement will govern operations on the site proposed by the Successful Offeror. The real estate agreements will allow the Successful Offeror to acquire appropriate financing and collect revenues from the housing to help finance the project.

The Government will retain ownership of some community facilities and land within the Quiet Pines Housing Area to include: golf course, youth center, and ball fields. Community support facilities within the housing area like basketball courts and playgrounds will be conveyed to the Successful Offeror.

Utility distribution and collection systems servicing existing housing units located within the leased land will also be conveyed to the Successful Offeror. Waste water treatment and water supply may continue to be provided by the base on a cost-reimbursable basis, if desired. Infrastructure, such as roads, parking areas, sidewalks, street lighting, and drainage systems located within the leased parcels of land, will also be conveyed to the Successful Offeror. Telephone and CATV are available on-site from local commercial providers.

The Government has available funding for a direct loan and a limited loan guarantee for this project. The housing

allowances given to military personnel provide cash flow for the project but do not count against the available funds.

Offerors should carefully consider the best possible means of minimizing long-term costs to the Government.

RENT STRUCTURE

- Military receive their basic allowance for housing (BAH)
- Referred military tenants' pay rent equal to BAH (w/dependents) minus 110% of expected electric/gas charges.
- Military tenants pay rent to the Successful Offeror.
- Tenants pay all unit utility, telephone and cable TV charges to respective providers.
- Rent includes refuse collection as well as renter's insurance.
- All tenants other than referred military families will pay market rent and sign a maximum 12-month lease. All future extensions shall not exceed 6 months each.

PRIORITY PLACEMENT PLAN

- The Government will **not** guarantee occupancy, but will provide priority referrals of potential occupants.
- Military will not be mandated to occupy privatized housing.
- Priority placement for all units is required as follows:
 - Referred military families
 - Other Active Duty Military Members/Families
 - Unaccompanied Military Members
 - Federal Civil Service Employees
 - Retired Military Members/Families
 - Guard & Reserve Military Members/Families
 - Retired Federal Civil Service
 - DoD Contractor/Permanent Employees(US Citizens)
 - General public
- Units will be held open for referred military families, unless occupancy levels fall below ninety-five percent for three consecutive months will the remaining list of individuals (in priority order) be permitted to rent the units.

TARGET MILESTONES

Industry Forum	May 02
Issue Solicitation	Jan 03
Evaluate Proposals and Select	Oct 03
Close Deal	Feb 04

HOUSING PRIVATIZATION WEBPAGE

Information is subject to change. Please visit the website below for the latest public information on Moody's housing privatization project.

www.bbpa.com

